



U.S. TRADE AND DEVELOPMENT AGENCY

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**ACTING DIRECTOR ZAK AND MEXICAN SECRETARY TÉLLEZ OPEN
USTDA CONFERENCE ON BUILDING PARTNERSHIPS IN INFRASTRUCTURE**
*USTDA Awards Grants Totaling More Than \$1.7 Million to Further National Infrastructure
Program Priorities*

MEXICO CITY – Promoting the development of transportation, energy and environmental projects under Mexico's National Infrastructure Program is the focus of a USTDA-sponsored conference that opened today at the Marquis Reforma Hotel in Mexico City. The event, which continues through February 28th, attracted approximately 200 participants, including Mexican Secretary of Communications and Transportation Luis Téllez, Mexican Secretary of Finance and Public Credit Agustín Carstens, Mexican Secretary of Energy Georgina Kessel, Mexican Secretary of the Environment and Natural Resources Juan Rafael Elvira, Mexican Secretary of the Economy Eduardo Sojo and U.S. Commerce Secretary Carlos M. Gutierrez. The conference is designed to foster closer relationships between U.S. industry and Mexican decision makers responsible for the development of National Infrastructure Program projects.

Recognizing the importance of infrastructure development to Mexico's economic development and competitiveness, the Calderón Administration has placed a high priority on increasing Mexico's investment in infrastructure from three to eight percent of gross domestic product (GDP) by the year 2012. As a first step toward achieving this goal, President Calderón launched the National Infrastructure Program in July 2007, which outlines goals and strategies to increase the coverage, quality and competitiveness of Mexico's transportation, energy and environmental infrastructure. This new focus on infrastructure presents over \$141 billion in new opportunities for U.S. firms.

"The implementation of the National Infrastructure Program presents an important opportunity for the United States and Mexico to deepen their economic ties and strengthen the global competitiveness of our North American partnership," said USTDA Acting Director Leocadia I. Zak in [remarks at today's opening plenary](#).

Under the theme *U.S. and Mexico: Building Partnerships in Infrastructure*, this week's conference was organized to assist U.S. companies in identifying business opportunities and securing contracts associated with National Infrastructure Program projects. More than 35 project profiles are being presented on major infrastructure plans. Projects range in size from \$45 million to \$2 billion, with anticipated completion in 2012.

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Reflecting the U.S. government's commitment to infrastructure development in Mexico, Acting Director Zak signed grant agreements today totaling more than \$1.7 million to further five projects that support National Infrastructure Program objectives. The grants will be used to fund separate studies on plans to expand Puebla International Airport, Querétaro International Airport, and San Luis Potosí International Airport; a study on a proposed municipal water desalination facility for the Municipality of Puerto Peñasco in the State of Sonora; and technical assistance to the Comisión Federal de Electricidad in strengthening environmental management at the power plants, substations, and power transmission and distribution facilities that it operates. Additional information on the grants is contained in a separate information sheet (see below).

The event has garnered a number of private sector sponsors, including ProMéxico, FedEx Express Mexico, CH2M HILL, DarkNet Communications, the Association of Equipment Manufacturers, Bancomer, Birdair, ICA Fluor, Kansas City Southern de Mexico, McDermott International, and Michael Baker Corporation. In addition to the U.S. Commercial Service, other supporting organizations include the American Road and Transportation Builders Association, the Edison Electric Institute, the Railway Supply Institute, the United States Hispanic Chamber of Commerce, the United States-Mexico Chamber of Commerce, U.S. Chamber of Commerce, and the Water and Wastewater Equipment Manufacturers Association. Officials from international lending institutions, including the Inter-American Development Bank, Nacional Financiera, the Export-Import Bank of the United States, and the Overseas Private Investment Corporation are also present to discuss available loan and insurance programs.

The U.S. Trade and Development Agency advances economic development and U.S. commercial interests in developing and middle-income countries. The agency funds various forms of technical assistance, early investment analysis, training, orientation visits and business workshops that support the development of a modern infrastructure and a fair and open trading environment. USTDA's strategic use of foreign assistance funds to support sound investment policy and decision-making in host countries creates an enabling environment for trade, investment and sustainable economic development. In carrying out its mission, USTDA gives emphasis to economic sectors that may benefit from U.S. exports of goods and services.



Information Sheet on USTDA Grants Awarded at the U.S. and Mexico: Building Partnerships in Infrastructure Conference

On February 27, 2008, USTDA awarded grants totaling more than \$1.7 million in support of five priority infrastructure projects that further the objectives of Mexico's National Infrastructure Plan. The agreements officially conferring the grants were signed by USTDA Acting Director Leocadia I. Zak on behalf of the U.S. Government. In each case, the opportunity to provide the USTDA-funded assistance will be competed on the Federal Business Opportunities website at www.fedbizopps.gov. Interested U.S. firms should submit proposals in accordance with the instructions for each announcement. Each grant recipient will select the U.S. firm that will provide the assistance for their respective grant.

Puebla International Airport Expansion – In an effort to decongest Mexico City's largest and most crowded airport, Benito Juarez International Airport, the Government of Mexico has implemented an alternative airport initiative to integrate the area's largest airports through the Metropolitan System of Airports (SMA). One of the airports included in the initiative is Puebla International Airport, which has seen dramatic growth in usage that has strained its physical limitations. As a result, Operadora Estatal de Aeropuertos, S.A. de C.V. (OEA), the operator of Puebla International Airport, has requested USTDA assistance to assess and evaluate both its current and future physical infrastructure needs to remove limitations to growth and further reduce regional congestion. The \$245,580 USTDA grant will fund a study that will also analyze the development of an expanded commercial terminal and cargo facilities at the airport and include updates to the airport's master development plan. Director General Fernando Ramírez signed the grant agreement for OEA.

Querétaro International Airport Expansion – Like Puebla International Airport, Querétaro International Airport is included in the Government of Mexico's initiative to relieve congestion at Benito Juarez International Airport by integrating the largest airports in the area through the SMA. To further these objectives, a study will be conducted to determine the feasibility of further development at Querétaro International Airport. Important in this decision is the strategic location of Querétaro International Airport, which is located near a wide base of agricultural, industrial and manufacturing firms along the main corridor of trade under the North American Free Trade Agreement. The \$263,900 USTDA grant will fund a study that will analyze the development of the airport's commercial terminal and cargo facilities and provide a master market and development plan. Executive Director Jaime Zamorano signed the grant agreement for Aeropuerto Intercontinental de Querétaro, S.A. de C.V.

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San Luis Potosí International Airport Runway Expansion and Modernization – Although there has been significant growth in foreign investment in the City of San Luis Potosí, the airport has not made the necessary adjustments and improvements to handle this increase in economic activity. The capacity issues are primarily related to the airport's older airfield facilities, in particular its two runways and various taxiways which cannot handle larger aircraft. While the airport is not officially part of the Mexican Government's integration of area airports, San Luis Potosí International Airport will receive investment to increase its capacity and improve cargo and passenger services. The \$243,300 USTDA grant will fund a study that will assist Grupo Aeroportuario del Centro Norte, S.A.B. de C.V. (OMA), the operator of San Luis Potosí International Airport, by determining the feasibility of a proposed runway extension to accommodate larger aircraft and updating the airport development plan. Chief Executive Officer Rubén López signed the grant agreement for OMA.

Puerto Peñasco Water Desalination Facility – The Municipality of Puerto Peñasco obtains its water supply from 11 deep water wells located within the Sonoyta River watershed. Current recharge and extraction data indicates an overexploitation of groundwater resources in the region, in which only 8 of the 11 water wells are currently operational. The Municipality also reports critical water loss along the water conveyance system due to leaks that originate from a nearly 40-year old pipeline. Given these conditions, and the limited water resource options available, a water desalination facility has been proposed to meet the community's needs and support continued economic growth. A \$369,325 USTDA grant will be used to evaluate the feasibility of the proposed facility. Municipal President Heriberto Rentería signed the grant agreement for the Municipality.

Comisión Federal de Electricidad (CFE) Environmental Management Technical Assistance – CFE, a Mexican government-held power utility, generates electricity at over 160 power plants with total capacity of nearly 50,000 megawatts and owns the transmission and distribution networks for supplying electricity to most of the country. CFE has prioritized its compliance with Mexican environmental laws and regulations. To support these efforts, USTDA has awarded a \$640,500 grant that will be used to provide CFE with technical assistance in polychlorinated biphenyls remediation and in reducing sulfur hexafluoride emissions, expanding contaminated site remediation and soils recovery, and developing waste management procedures at CFE facilities. Environmental Protection Manager Vincente Aguinaco signed the grant agreement for CFE.